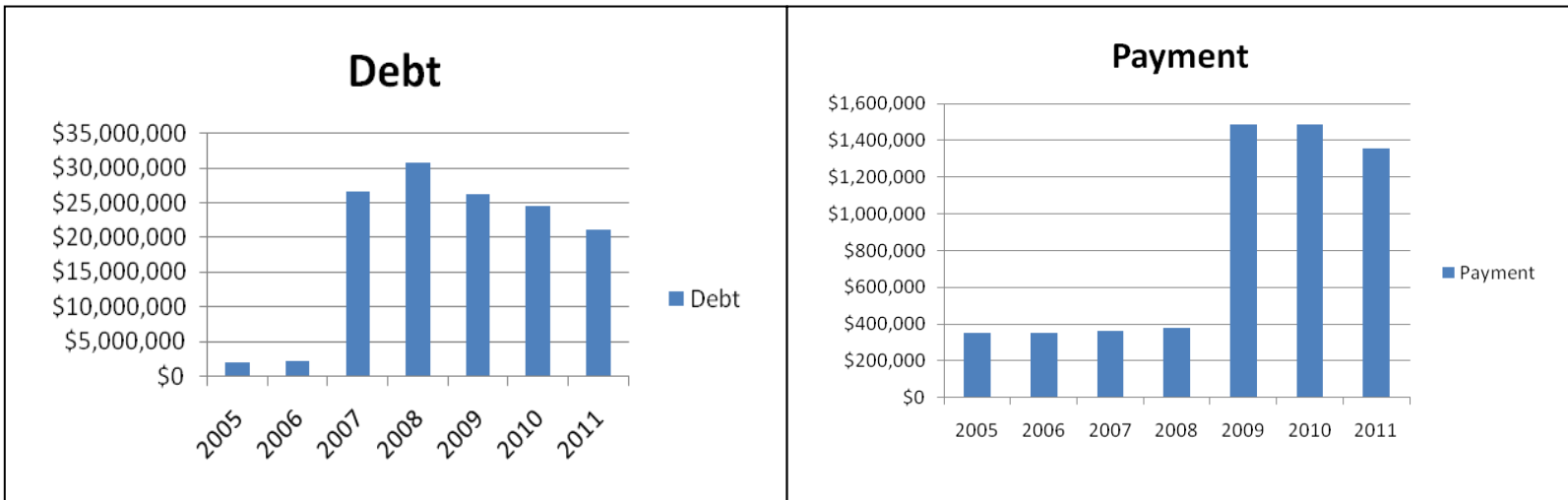


What is the status of the BPW long term debt? Since 2005, the BPW has borrowed \$31,446,000.00 to pay for electric, water and wastewater system facilities. The BPW pays \$1,355,708.00 in annual debt payments that result in a monthly payment set-aside of \$112,975.67 on a debt balance of \$21,122,240.00 as of March 31, 2011.

ISSUE: Long Term Debt. The BPW has borrowed monies through the City of Lewes as general obligation bonds to the public and the State of Delaware Revolving Funds to pay for capital projects of the electric, water, stormwater and sewer departments.

BACKGROUND: From September 30, 2005 through September 30, 2007 the Lewes Board of Public Works, working through the City of Lewes, has issued general obligation bonds owed to the Delaware Wastewater Pollution Control Revolving Fund, Delaware Safe Drinking Water Revolving Fund, and general obligation bonds totaling \$31,446,000.00 of debt. (A detailed list of the individual bond issues and projects paid for with the bond proceeds can be found on the BPW web site: www.ci.lewes.de.us/BPW-Utilities.)

As of March 31, 2011 the debt assumed by the BPW was \$21,122,240.00. The original debt of \$31,446,000.00 has been reduced as a result of principal payments as well as transfer of some bond proceeds to the City of Lewes for City projects.



STATUS: The BPW Principal Balance owed on all debt as of March 31, 2011 is \$21,122,240.00. The yearly payments on this debt (principal and interest) are \$1,355,708.00. Funds are set aside monthly to meet the payment schedules on the debt. As a result of debt restructuring and BPW efficiencies, the BPW Board approved holding all utility rates at the FY10 levels for the FY11 year.

BUDGET DATA

	Monthly Debt Allocation	Annual Debt Allocation
BPW Debt	\$112,975.67	\$1,355,708.00

QUESTIONS: If you have further questions about the BPW debt profile, please contact the BPW General Manager, Darrin Gordon: 302-645-6228 or go to: www.ci.lewes.de.us/BPW-Utilities